

Alaska Task Force RUS Program Overview

AK Task Force Virtual Aug 30, 2021

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Agenda

- USDA Rural Development Programs overview
- Alaska Summary Data
- ReConnect Program Introduction
- Regulation Overview
- Recommendations
- Q&A
- Resources

Funding for Rural Broadband

- Telecommunications Infrastructure Loan Program
- Rural Broadband Program
- Community Connect Grant Program
- ReConnect Program





Summary Data

Summary metrics for both rounds of ReConnect funding

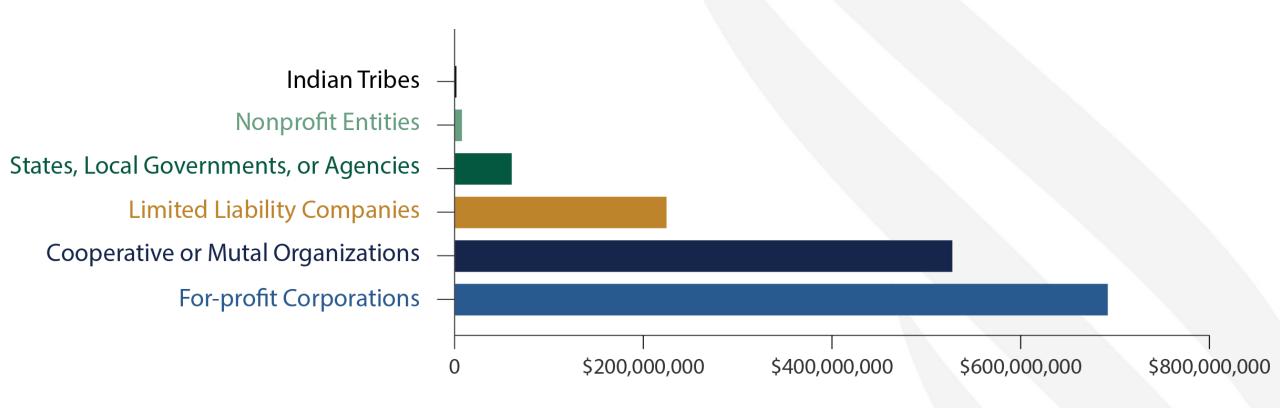


Telecommunications Programs –Alaska Investments

Since 2010, RUS has approved over \$225,296,362 million in projects serving Alaska residents:

Program	Projects Approved	Funds Awarded
Telecommunications Infrastructure Program	2* 1 pending	13,150,000/25,000,000
ReConnect Program	7	93,677,632
DLT	52* 4 pending	19,247,214/2,500,000
Community Connect	4* 3 pending	7,913,888/7,000,000
Broadband Initiatives Program	4	91,352,628

Rounds 1 & 2: Awarded Amount by Entity Type



Total Awarded Amount: \$1,509,997,454



ReConnect Program Introduction

ReConnect Program background and timeline



2019
Consolidated
Appropriations
Act

\$550 million
in funding

\$555 million in funding

2020 Further Consolidated Appropriations Act \$600 million in funding

2018 Consolidated Appropriations Act

ReConnect Program

Pilot program that provides loans and grants to extend broadband service to rural areas. Assist rural areas that do not have sufficient access (10/1) to broadband.

Minimum requirements: 25Mbps down/3Mbps up

\$635 million in funding

2021 Consolidated Appropriations Act



ReConnect Program Regulation Overview



Regulation Overview

- Codifies policies and procedures for the Rural eConnectivity Program (ReConnect Program)
- Issued as a Final Rule with comment on February 26, 2021
- Final Rule became effective April 27, 2021
 - Federal Register Number 2021-03443



Funding Parameters



- Applicants must propose a network that can provide broadband service to every premise within the PFSA at the speed defined in the FOA at the same time
- Funding categories (loans, loan/grant, grants) will be established in the FOA

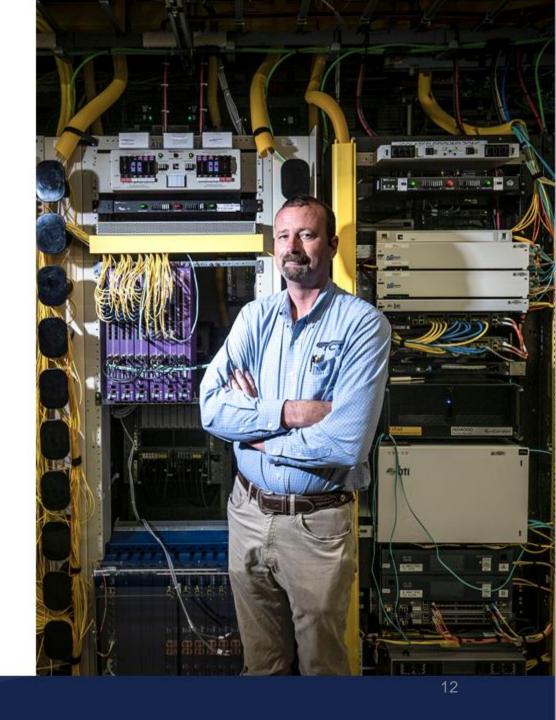
Eligibility Requirements: Eligible & Ineligible Entities

Eligible:

- √ Corporation
- √ Limited Liability Company (LLC) and Limited Liability Partnership (LLP)
- √ Cooperative or mutual organization
- √ States or local governments, including any agency, subdivision, instrumentality, or political subdivision thereof
- √ Territory or possession of the United States
- ✓ Indian tribe, as defined in section 4 of the Indian Self-Determination and Education Assistance Act

Ineligible:

- **X** Individuals
- X Legal partnerships formed with individuals
- X Co-applicants



Eligible Projects

Eligible projects must:

- Submit a complete application, including unqualified, comparative, audited financial statements for the previous year from the date the application is submitted
- Timely Buildout Completion within five years from the date funds are first made available
- Demonstrate Technical Feasibility
- All project costs can be fully funded or accounted for
- Financially Feasible and Sustainable
- Facilities with grant funds must provide broadband service for the composite economic life of the facilities
- Facilities with loan funds must provide broadband service through the amortization period of the loan

Eligible Cost Purposes

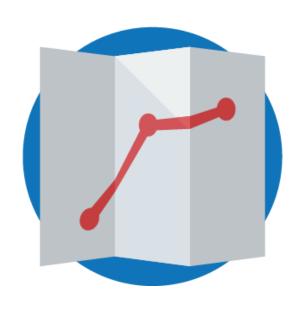
Eligible costs must be:

- Incurred post award (except approved pre-application expenses)
- Consistent with 2 CFR 200, Subpart E, Cost Principles
- Reasonable, allocable, and necessary to the project

Award funds may be used to fund:

- Construction or improvement of facilities required to provide fixed terrestrial broadband service, and any other facilities required for providing other services over the same facilities
- Reasonable pre-application expenses (not to exceed 5% of award)
- 100% loans only: Acquisition of an existing system that does not currently
 provide sufficient access to broadband for upgrading that system to meet the
 requirements of this regulation (not to exceed 40% of award)

Eligible & Ineligible Service Areas



Eligible Service Areas:

- Provide broadband service directly to all premises in the PFSA
- If any part of the PFSA is ineligible, RUS may request modification(s) or reject the application

Ineligible Service Areas:

- Overlapping proposed project service areas
- 90% of the Proposed Funded Service Area (PFSA) must not have sufficient access to broadband service as defined in the FOA

Eligible & Ineligible Service Areas (cont.)

Additional Considerations

- Work with the Governor's office and tribal governments to submit information detailing where state funding has been provided
- Service areas that received federal grants or funds from the FCC to provide broadband service may be restricted from funding
- Additional service area restrictions may be identified in the FOA



Application Submission & Evaluation

- Applications must be submitted through the online application system
- Applicants can only submit one application under any funding window
- All applicants are required to:
 - Register for a Dun and Bradstreet Universal Numbering System (DUNS)
 Number or other Government non-proprietary identifier
 - Register in System for Award Management (SAM)
 - Submit Commercial and Government Entity (CAGE) Code (obtainable through SAM)

Recommendations

- Community Outreach and Coordination
- Incentivize Development
- Partnerships
- Bluster visibility
- Streamline State Reviews

Available Resources

- ReConnect Website
 - https://reconnect.usda.gov
- Rural Development eConnectivity Toolkit
 - Rural Prosperity Taskforce Launched February 6, 2019
 - https://usda.gov/broadband
- For general inquiries, contact:
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